VZCZCXRO1367 OO RUEHCI DE RUEHKT #0200/01 0501350 ZNY CCCCC ZZH O 191350Z FEB 08 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 8022 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 6307 RUEHLM/AMEMBASSY COLOMBO PRIORITY 6637 RUEHKA/AMEMBASSY DHAKA PRIORITY 1903 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4661 RUEHLO/AMEMBASSY LONDON PRIORITY 5888 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2224 RUEHCI/AMCONSUL KOLKATA PRIORITY 4022 RUEHGV/USMISSION GENEVA PRIORITY 1991 RUCNDT/USMISSION USUN NEW YORK PRIORITY 3093 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY

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SUBJECT: NEPAL: WHAT DO THE MADHESIS WANT?

REF: KATHMANDU 198

Classified By: Charge d'Affaires a.i. Randy W. Berry. Reasons 1.4 (b/d)

Summary

11. (C) According to the leaders of the United Democratic Madhesi Front, what Nepal's Madhesis want can be summed up in the Front's six demands from February 8. Those demands include a constitutional guarantee of a single Madhesi state with the right to self-determination. The reality is both more complicated and simpler. It is more complicated because the UDMF parties do not represent all Madhesis. The reality is simpler because, in spite of their escalating rhetoric, UDMF leaders give indications that what they desire most is respect. The challenge for the Interim Government, and Prime Minister Koirala, will be to come up with a package of concessions acceptable to the Madhesis and his governing coalition soon enough to avoid an election postponement and before the ongoing Terai general strike makes a deal untenable.

Six Demands

 $\P2$. (C) The most recent formulation of the political demands by Nepal's Madhesis, a historically disenfranchised, Indian-origin people who inhabit the country's southern border region with India and make up roughly 30 percent of the country's population, is found in the six demands which the three-party United Democratic Madhesi Front (UDMF) publicized on February 8. (Note: The UDMF, formed in January 2008, consists of three political parties established since 2007: the Terai-Madhes Democratic Party, TMDP, headed by Mahanta Thakur; the Madhesi People's Rights Forum Nepal, MPRF, headed by Upendra Yadav; and Sadbhavana Party, SP, headed by Rajendra Mahato.) Those demands include: (1) the declaration of 45 Madhesis, who died during the January to March 2007 Madhesi movement, as "martyrs" and payment of compensation; (2) a constitutional guarantee of an autonomous Madhesi state with the right to self-determination; (3) an amendment in the Constituent Assembly (CA) Members Election Law to raise the threshold before the parties would have to apply the law's quotas for various disadvantaged groups to

their proportional candidate lists (Note: The UDMF parties claim it is unfair to make regional parties submit broadly representative lists, to include indigenous nationalities, Dalits, etc.); (4) immediate proportional representation of disadvantaged groups in government bodies; (5) immediate inclusion of Madhesis in the Nepal Army; and (6) an immediate effort by the Government of Nepal (GON) to bring the Madhesi armed groups into the political mainstream.

Origin of the Six-Point Demand

13. (C) Based on post's review, the Six-Point Demand is similar in many respects to the Eleven-Point Demand which Thakur's newly created TDMF gave to Prime Minister G.P. Koirala at the beginning of January. It also draws on the provisions of the 22-Point Agreement which the MPRF reached with Peace and Reconstruction Minister Ram Chandra Poudel (Nepali Congress) in August 2007. (Note: Yadav's signing of the 22-Point Agreement, which was accompanied by a promise by Yadav to participate in the CA election when it was scheduled for November 2007, led to a bitter split in the MPRF. In conversations with the Ambassador and other Embassy officials, Yadav has frequently cited the failure by the GON to implement the Agreement as a key reason why he is so distrustful of the Prime Minister.) Since the Madhesi uprising, there have been frequent reports that the leading Madhesi armed groups, notably the two principal factions of the formerly Maoist Janatantrik Terai Mukti Morcha (Terai People's Liberation Front) headed by Jay Krishna Goit and Nagendra Kumar Paswan (aka Jwala Singh), were insisting on an independent Madhes or Terai. Nevertheless, in a dinner with

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Emboffs on February 13, Sarvendra Sukla of the TMDF and Awadesh Kumar Singh of MPRF claimed "self-determination" did not mean independence, and admitted there might be room for compromise if their demands were taken seriously.

The UDMF vs. Everyone Else

 $\underline{\P}4$. (C) The UDMF is not the only grouping that claims to represent Madhesis. The Prime Minister's Nepali Congress (NC) won two-thirds of its seats in the 1999 general election from the Terai. The Prime Minister himself -- as well as many senior NC leaders -- ran from Terai districts. His party's support in the Terai is now considerably weakened, but cannot be completely disregarded. The Communist Party of Nepal - United Marxist Leninist (UML) drew more of its support in the last election from hilly and mountainous districts, but its General Secretary, M.K. Nepal, won his seat from a Madhesi-dominated district. The Maoists, whose agenda of ethnic empowerment during its 10-year insurgency is seen as a key force in raising political awareness in the Madhes, are generally considered to have lost the most political space in the Terai as a result of the 2007 Madhesi movement. The party that placed third in the 1999 election, the opposition, formerly monarchist National Democratic Party, also draws considerable support from the Terai and has been as strong supporter of Madhesi autonomy. (Note: Mahato's SP is a splinter of the oldest Madhesi party, Nepal Sadbhavana "Goodwill" Party - Ananda Devi, registered in 1990, which is a member of the current cabinet.) Meanwhile, the UDMF parties must also deal with more than 20 extremist Madhesi groups, of which Goit and Singh's JTMM's are but two. At a press conference in Kathmandu on February 18, Thakur stated that the UDMF had not forged any working alliance with the armed groups yet, but he did not rule out the possibility of an alliance in the future.

Comment: A Deal Still Possible?

15. (C) After a trail of broken promises and decades of discrimination, the Madhesi are not in a compromising mood.

As they first discovered during the Madhesi movement in 2007, they have the power to cut off Nepal's hills and, most importantly, its capital because they can close the border with India and thereby the points of entry for all of Nepal's petroleum and most of its foodstuffs. The UDMF's Terai bandh (general strike), launched February 13, and now in its seventh day. has crippled Kathmandu. The UDMF's leaders will be reluctant to give up this weapon unless the Prime Minister and his cabinet deliver on some of its key demands. As noted reftel, talks were ongoing at close of business on February 19 at the PM's Residence. Key leaders of the other parties in the governing coalition had also gathered there, perhaps to bless any deal reached. The good news is that, in spite of the rhetoric, many observers agree that what the Madhesis want most is respect. While Koirala and the head of the UML are on record rejecting the possibility of a single Madhes state with the right to self-determination (i.e., secession), there is room for a deal -- on the question of Madhesi martyrs, on autonomy and inclusive representation more broadly, and even, talks with armed groups. The Acting President of the NC, Sushil Koirala, is already on record indicating his willingness to meet with Goit and Singh. The challenge for the Interim Government, and the PM, will be to come up with a package of concessions acceptable to the Madhesis and his governing coalition soon enough to avoid an election postponement and before the ongoing Terai general strike makes a deal untenable. **BERRY**